

REMARKS

Claims 1-28, 96, 104-105, 113-115, and 124 are pending in the application. Claim 96 has been amended to reflect a proper antecedent basis.

Rejections under 35 U.S.C. § 112, Paragraph 2

In the Office Action, claim 28 was rejected for having an insufficient antecedent basis. Office Action, pages 2-3. Dependent claim nos. 96 and 105 were also rejected for the same reason. Applicants have amended claim 96 to reflect a proper antecedent basis, thus also remedying the deficiencies in claim nos. 96 and 105. Applicants believe no new subject matter has been added by way of their amendment. Applicants respectfully submit the rejections have been overcome.

Rejections under 35 U.S.C. § 102

In the Office Action, the Examiner rejected claims 1-17, 20, 22-24, 28, 104, 105, 113-115, and 124 under 35 U.S.C. § 102(e) as being unpatentable over U.S. Patent No. 6,321,212 to Lange (“Lange”). Office Action, page 3. Applicants respectfully traverse the rejection.

In response to the Examiner’s rejections, Applicants’ independent claims recite (emphasis added):

“establishing, on said trading system, a plurality of separate contracts within contract bundles, each contract bundle paying off an aggregate fixed monetary sum at maturity, the aggregate fixed monetary sum at maturity known when the contract bundles are established, and wherein each contract bundle comprises at least two separate contracts” (independent claim 1),

and

“[a] computer network-based contract trading system, including a communications interface, a plurality of processing modules for formation, sale, resale

and settlement of separate contracts within contract bundles, each of said contract bundles comprising at least two separate contracts wherein each contract bundle pays off an aggregate fixed monetary sum at maturity, the aggregate fixed monetary sum at maturity known upon the formation of the contract bundles," (independent claim 28).

Lange does not teach or suggest paying off an aggregate fixed monetary sum at maturity, the aggregate fixed monetary sum at maturity known upon the formation of the contract bundles. As evidenced by its title, Lange teaches "...a demand-based adjustable return." Thus, it is impossible for Lange to know the pay off (i.e. return) at the time of the formation of the contract bundle, because Lange's return must also take into account demand for the contract. Demand can only be determined based upon the actual trading of the contract.

Evidence that Lange does not teach or suggest paying off an aggregate fixed monetary sum at maturity, the aggregate fixed monetary sum at maturity known upon the formation of the contract bundles is found in Lange Col. 9, lines 9-13 which state, "[t]hus, traders' returns will depend not only on the actual outcome of a real-world, observable event but also on trading choices from among the distribution of states made by other traders." Additional evidence is found in Lange Col. 7, lines 7-14, which state, "[t]he returns to the contingent claims of the present invention adjust during the trading period with changes in the distribution of amounts invested in each of the states. The returns payable for each of the states are finalized after the conclusion of each relevant trading period."

Because Applicants' independent claims are patentable, Applicants' dependent claims are also patentable, as a dependent claim incorporates by reference all of the limitations of the claim from which it depends (see 35 U.S.C. § 112 ¶ 4).

CONCLUSION

Applicants believe the rejections should be withdrawn and the application should be allowed.

If the Examiner has questions regarding the case, the Examiner is invited to contact Applicants' undersigned representative at the number given below.

Respectfully submitted,
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